

# STAFFORD COUNTY SCHOOL BOARD

## Agenda Consideration

**TOPIC:** FY 2005 Year-End Financial Review

**ITEM NO.:** 13D

**PREPARED BY:** H. Charles Woodruff, II  
Assistant Superintendent  
of Financial Services

**MEETING:** October 25, 2005  
**MEETING:** November 15, 2005  
**ACTION DATE:** November 15, 2005

Patty Sullivan, Director of Budget and Grants

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**ACTION REQUESTED BY THE SUPERINTENDENT:** That the School Board approve the FY 2005 Year-End Financial Review.

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### KEY POINTS:

(see pages 3-4 for further explanation)

### School Operating Fund

- The net expenditures balance for FY 2005 includes funds to appropriate 1% of budget to emergency contingencies and \$871,347 for capital purchases' commitments.
- Additional projected expenditure savings result in \$5,740,530 in available funds to carry forward to FY 2006. The proposed uses of the school operating available funds of \$3,917,530 includes a variety of capital outlay and school startup expenditures and \$1,823,000 for staff recommended priorities which includes \$1,200,000 for an energy contingency line.
- Other appropriation requests included: \$3,546,316 for the balance of technology and buses lease/purchases; and, \$2,099,263 for the lease/purchase of buses for FY 2006. These appropriations will properly book the entire purchase of technology replacements and buses under a lease/purchase agreement, as required by the County auditors, to properly account for the expenditure and offsetting revenue.
- A \$7,359,543 request for FY 2005 purchase orders to be reappropriated to FY 2006 is included.

### Reappropriated Purchase Orders

Amounts to be reappropriated from FY 2005 to FY 2006 for purchase orders outstanding at June 30, 2005:

• School Operating Fund .....	\$ 7,359,543
• School Nutrition Services Fund .....	\$ 96,188
• School Construction Fund .....	\$ 20,647,534
• Fleet Services Fund .....	\$ 49,663
• Total School Funds .....	\$ 28,152,928

**SCHOOL BOARD GOAL 4:** Address the impact of continuing population growth by developing plans to address expanding staff, facilities, transportation, attendance zones, and instruction.

**SCHOOL BOARD GOAL 8:** Provide School Board leadership in advocating for adequate funding in support of Stafford County Public Schools.

**FUNDING SOURCE:** Existing allocations (does not require additional local funds).

**AUTHORIZATION REFERENCE:** Local Principles of Financial Management

## Stafford County Public Schools FY 2005 Year-End Balances and Uses of Funds

Approved School Operating Budget .....	\$ 210,944,512	
FY 2005 Expenditures .....	(\$189,320,579)	
Reappropriated Purchase Orders to FY 2006 .....	(\$ 7,359,543)	(1)
Revenues Balance .....	(\$ 5,459,837)	(2)
Emergency Contingency (1% of FY06) .....	(\$ 2,192,676)	(3)
Previously Approved Incomplete Projects .....	(\$ 871,347)	(4)
Available Funds .....	\$ 5,740,530	
School Board Priorities .....	(\$ 3,917,530)	(5)
Staff Recommended Priorities .....	(\$ 1,823,000)	(6)
Remaining Funds .....	<u>\$ 0</u>	

**(1) Reappropriated Purchase Orders – Total All .....** \$ 28,152,928

• School Operating Fund:	
~ Instruction .....	\$ 6,198,552
~ Administration, Attendance, and Health .....	\$ 100,523
~ Operation and Maintenance .....	\$ 987,330
~ Facilities .....	<u>\$ 73,138</u>
School Operating Fund Total .....	\$ 7,359,543
• School Nutrition Services Fund .....	\$ 96,188
• School Construction Fund .....	\$ 20,647,534
• Fleet Services Fund .....	\$ 49,663

**(2) Revenue Deficit:**

The revenue deficit balance includes lease/purchase proceeds for buses and technology replacements in the amount of \$3,546,316 that were anticipated but not received in FY 2005 and \$1,834,606 in grant contingency funds not used in FY 2005. Grant contingencies are not carried forward to the next fiscal year and the lease/purchase financing proceeds for buses and technology replacements are included here for reappropriation to FY 2006 thus the actual revenue deficit is \$78,915.

**(3) Emergency Contingency Account:**

Emergency contingency funds are not anticipated in original budget figures, but are carried forward from the previous fiscal year. The emergency contingency funding for FY 2006 at 1% of approved school operating budget is \$2,192,676.

**(4) Previously Approved Incomplete Projects from FY 2005:**

• Bleacher Repairs .....	\$ 165,000
• Partitions – RES .....	\$ 61,000
• Press Boxes BPHS & CFHS .....	\$ 61,000
• Water Supply – HES .....	\$ 80,000
• Bandy Sign .....	\$ 60,000
• Human Resources Winocular System .....	\$ 46,786
• Startup Costs for CES & MVHS .....	\$ 316,045
• Grants & Donations' Balances .....	<u>\$ 81,516</u>
• Total .....	<u>\$ 871,347</u>

**(5) School Board Priorities (to be determined).....** \$ 3,917,530

**(6) Staff Recommended Priorities:**

- **Compensation Study .....** \$ 38,000  
*This study will assist staff in making recommendations regarding employee compensation in comparison to other markets for FY 2007 and future years. The cost reflects using the same company that recently completed the County's compensation study.*
- **Anticipated Fuel/Utilities Increases .....** \$ 1,200,000  
*As of this date, fuel prices remain unstable and have more than doubled since this time a year ago. Original budget projections for diesel fuel were based on a cost of \$1.41 per gallon; as of October 3 the price per gallon was \$3.03. The anticipated increase includes \$750,000 for vehicle fuel and \$450,000 for utilities'.*
- **Planning - Vehicles for new positions (EM & FAE) ....** \$ 30,000  
*These vehicles for the Energy Manager and Facilities Assessment Engineer positions are required so these staff members can visit school facilities on a daily basis and have the capability to transport multiple team members.*
- **Hot Water Heater Replacements (BPHS & NSHS) ....** \$ 250,000  
*These hot water heaters are original equipment in Brooke Point High School and North Stafford High School designed for domestic use. Staff has previously repaired these units and they are now considered beyond economic repair.*
- **Maintenance – Replacement Dump Truck .....** \$ 55,000  
*Vehicle is required to support existing fleet for snow removal, sanding parking lots, and delivering materials such as mulch, etc.*
- **Instruction - Remedial Classrooms (2) .....** \$ 250,000  
*To provide mobile classrooms to take remedial education staff members to the locations requiring these services and provide the space needed without disrupting regular classroom routines.*
- **Total .....** \$ 1,823,000